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another 200,000 who held property jointly and were not included in his computations.

On the assumption that a holding of less than 3 hectares was totally inadequate, at the Rumanian level of production, to provide a family with even the bare means of subsistence, Creangă concluded that over 60 per cent of the peasant cultivators (landless peasants plus those with less than 3 hectares), "for the most part heads of families, find themselves in unconditional dependence upon landowners and tenants." [11] If peasants owning between 3 and 5 hectares —holdings certainly on the margin of subsistence—are included, it appears that nearly 85 per cent of the peasants were unable to earn a secure living from the produce of their soil and had to seek additional income elsewhere.

The concentration of land in great estates does not, of course, necessarily imply an agrarian crisis; English and Prussian agriculture developed successfully on large properties. Nor does the peasant's need to go beyond his own holding to earn a living necessarily spell misery for him. The reason the large estate appeared at this time to be the central feature of the Rumanian agrarian problem lies in the particular development of rural property and labor relations in the course of the eighteenth and nineteenth centuries.

Unfortunately, the background of Rumanian agrarian history is still extremely obscure. The original social function and source of privilege of the landowning nobles, the boyars, have been the subject of several notable but inconclusive controversies among Rumanian scholars. It is not certain when and to what degree the mass of Rumanian cultivators were reduced to a servile status. Evidence provided by villages of *răzeşi* and *moşneni*—free peasant communities with a form of common landholding, which have survived as relics in the hilly districts—suggests that they at one time were a prevalent form of rural organization, but scientific investigation of these villages has been undertaken only in recent years.[12] There is no question, however, that by the eighteenth century the boyars—and the monasteries—had come to control a great deal of the land, to which

11. Creangă, *op. cit.*, I, 189.

12. The term *boier* has been the popular, if historically inaccurate, name for all large landowners. The problem of ascertaining the boyar's original role resembles in some respects the confusion in Russian history between allodial hereditary landowners and the nobility of service. The villages of free peasants (răzeşi in Moldavia and moşneni in Wallachia) pose, in respect to their nature and origins, questions similar to those relating to the Russian *mir* and the South Slav *zadruga*. Illuminating discussions of these points may be found in H. H. Stahl's article, "Organizarea socială a ţărănimii," in *Enciclopedia Românisi* (4 vols., Bucarest, n.d.), I, 559–576, and in his recent book, *Sociologia satului devălmaş românesc* (Bucarest, 1946), I.

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terials and wooden floors, and it is quite possible that there were other improvements in village conditions which would not appear in statistics.

The depression greatly reduced the Rumanian income, and by 1937 the per capita real income had not yet regained the 1927 level.

In the chapter on population it was seen that Rumania had an extremely high death rate. This was matched by an extraordinarily high infant mortality rate, the highest in Europe. Between 1931 and 1938 infant deaths showed no sign of declining, but ranged between a maximum of 19.2 per 100 living births in 1935 and a minimum of 17.4 in 1933.

The low standard of living implicit in the vital statistics is also reflected in the dietary deficiencies of the Rumanian peasant. A number of surveys taken in the 1930's reached the same general conclusions:[26] while the caloric content of the diet was usually adequate, its quality was very poor; an excessive consumption of grains, especially maize in the form of corn meal (*mămăligă*) and not enough animal products or protective foods. Seasonal consumption, as might be expected, varied widely. The prevalence of pellagra has been an obvious indication of an unbalanced diet.

Statistics on housing, disease, medical service, education, and illiteracy confirm the impression that the Rumanian peasant had one of the lowest standards of living in Europe. Admittedly, the statistically average Rumanian is an abstraction. Peasants with holdings over 5 hectares lived better and were healthier than peasants on dwarf holdings. The husbandman with an intensively cultivated farm in Ţara Bârsei in Transylvania had about three times the income of the small holder in Dobrogea. Nevertheless, the flat picture of widespread poverty and squalor presented by the statistics is not far from the truth. The colorful costumes and picturesque folk dances of the Rumanian peasantry should not obscure the fact that in 1930 nearly half the population was illiterate and in 1938 one child in five died before it was a year old.

Accompanying this peasant poverty was a marked inequality in the distribution of the total income. Rumanian statistics do not permit an exact estimate of its extent, but it was perfectly obvious to anyone who visited Bucarest. The unmistakable signs of luxury spending

26. D. C. Georgescu, *L'Alimentation de la population rurale en Roumanie* (Bucarest, 1940); W. Aykroyd, I. Alexa, I. Nitulescu, "Étude de l'alimentation des paysans dans la région à pellagre de Moldavie," *Archives roumaines de pathologie expérimentale et de microbiologie* (Paris, 1935); Ioan Claudian, *Alimentaţia poporului romăn* (Bucarest, 1939).

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—palatial villas and flats in the residential sections, large automobiles, yachting clubs, and Parisian fashions—were in startling contrast to the conditions in the countryside. While the employment of surpluses in unproductive expenditure is a characteristic of undeveloped economies, this tendency was somewhat aggravated in Rumania by the inheritance of boyar extravagance and by the traditional social chasm between the peasant and the ruling groups. To some extent the unequal distribution of income was derived from the pre-1914 oligarchic agrarian society, but a great deal of the actual wealth was gained through industry and finance and through state connections.[27] Unequal distribution was not reduced by the tax structure, which depended largely upon indirect taxes on consumption goods and only to a limited degree upon income taxes.[28]

The economic importance of this distribution of income is difficult to measure. Obviously a mere leveling out of incomes would not make the Rumanian peasant significantly wealthier. On the other hand, the diversion of the nation's relatively limited surpluses into nonproductive expenditure undoubtedly restricted much-needed investments in agriculture and industry. In general, the social significance of this inequality—its reflection of the deep abyss between town and country—was more important than the immediate economic effects.

In its broad features the Rumanian economy during the interwar years resembled that of the pre-1914 Old Kingdom. The addition of new territories increased the internal market and provided important resources and industries. With these advantages came the task of unifying the economies of the different provinces and of recovering from the war. On the international level, the situation was less favorable than before; world trade was more restricted, especially after 1931; the industrial states protected their agriculture; the supply of foreign credit was limited and fell off greatly in the depression. For these reasons, plus a mixture of economic and nationalist mo-

27. The importance of politics and government connections in the acquisition of wealth in Rumania is proverbial, partly because the government played such an important role in economic undertakings. In 1939 the capital invested in state economic enterprises was considerably larger than the total capital investment of all private commercial and industrial undertakings. Madgearu, *op. cit.*, p. 360.

28. In 1935/36 22.8 per cent of the total tax revenue came from income and other direct taxes; 12.3 per cent from taxes on property transactions; 12.1 per cent from turnover taxes; 44.9 per cent from consumption taxes; and 7.9 per cent from customs duties. PEP study (Political and Economic Planning), *Economic Development in S.E. Europe* (London, 1945), p. 21.

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241 as 1910 Dobrogeanu-Gherea had some harsh words to say of the
433 men who thought it could magically solve the deep-rooted ills of Ru-
654 manian agriculture.[36]

The Tătărescu government, following precedent, also reorganized agricultural credit and the cooperative system, set up more experimental stations, and devoted funds to the raising of better livestock and the purchase of tractors, but those measures seem to have been only of marginal benefit.

423 The government did try in the law of March, 1937, for the encouragement of agriculture to grapple with the problem of land tenure. It regulated the transfer and mortgage of rural lands and undertook to enforce the indivisibility of property as a means of preventing the progressive subdivision of peasant holdings. The effort was unsuccessful. The two-hectare minimum, which in any case was too small for a self-subsistent holding, was not observed; the prohibition extended only to properties obtained from the state or with the state's assistance. An attempt was also made to promote the consolidation of peasant properties, but this met with too great opposition in the chamber and was dropped.[37] The government also exerted its right of preemption on sales of agricultural land for the purpose of providing land for the peasants but its achievements were insignificant. Between April 1, 1934, and August 1, 1938, of the 326,200 hectares put on sale the government used its right of preemption on only 12,250 hectares, 3.8 per cent of the total.[38]

241 In brief, if the position of agriculture was somewhat better in the
654 years of the Tătărescu regime than in the depression it was largely
656 a consequence of general economic recovery. Agriculture did benefit from the protective measures applied and extended by the government, although part of these benefits was lost by the continued depreciation of the leu, and some efforts were made to raise the level of agriculture and diversify production. Nevertheless, the government's chief interest was industry and commerce and the principal benefits to agriculture were those which corresponded to this interest. The desperate problem of the millions of small peasants owning less than 3 hectares, unable to support themselves and their families, dividing their land into smaller and smaller fragments, suffering from pellagra —this problem was scarcely touched.

654 It must be said, however, that in the 1930's there was a notable

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36. C. Dobrogeanu-Gherea, *Neoiobăgia*, p. 254.

37. Valeriu Bulgariu, "Divizibilitatea proprietăţii ţărăneşti," *Problema agrară* (Bucarest, 1946), pp. 77–97.

38. G. Ionescu-Sişeşti, "Le Nouvel Aspect du problème agraire en Roumanie," *Archives pour la science et la réforme sociales*, 16, Nos. 1–4 (1943), 264.

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increase in scientific investigations of village life—sociological studies undertaken by Professor Gusti and his students, farm accountancy studies, examinations of rural health and diet—which brought into clear light the deplorable living conditions of the peasants. It was at this time too that the factor of overpopulation was brought into prominence, although as early as 1907 Constantin Garoflid had warned of its approach. Unfortunately, the real fact of overpopulation was too easily employed as a scapegoat, and one finds a growing tendency from the middle of the 1930's to place upon it all the responsibility for the plight of the peasant.

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and the investigators found many of the old labor contracts and obligations associated with pre-1914 Rumania.

Unable to support themselves in the community, many peasants were seeking temporary work in nearby market towns, and a number traveled as far as Bucarest, a distance of about 70 kilometers. The exodus in most cases was not permanent, and the peasants after earning some money returned to Dâmbovnicul. This movement to the city was a reflection of the new conditions, which were also seen in the houses and garments of the peasants: houses were no longer built to last generations as was the case in the more isolated districts to the north; the national costume was relegated to Sundays. Birth and death rates were high and the natural increase outran the emigration away from the plasă. The standard of living was very low; many families were undernourished.

A definite differentiation in the peasantry was developing. A few peasants—mostly those who had inherited medium properties—were enlarging their holdings; a few new peasant estates of over 100 hectares had been created. The poorer peasants, including many who had been allotted land, were losing their holdings. Investigations into debts and credit showed that even after the conversion of 1934 about half the households were in debt. Credit provided by the cooperative banks went almost entirely to the larger peasants; in one commune holdings of up to 5 hectares received only 7.9 per cent of the loans. The special political interest shown by the parties in the judeţ of Argeş seemed to have brought no benefits beyond permitting local party stalwarts to obtain extra funds to purchase land from peasants who were in debt or in need of money.

Such, then, was the land of happy peasants with their colorful folkways so picturesquely displayed in the travel literature of the Carolist era.

A MARKED FEATURE is the comparative absence of chimneys. The cooking is done in an outhouse, no doubt to minimise the risk of fire, but the dwelling house is generally heated by a stove, the smoke from which passes up through the ceiling in an iron pipe and then escapes into the open air through holes cut in the gable ends or, in the case of a hipped roof, through a small louvre.

THE OUTHOUSES are for the most part simple structures and call for no special comment.

CLEANLINESS and simplicity are the keynotes of the domestic economy. Household effects are kept down to a minimum, but upon their manufacture an enormous amount of time and skill is lavished, especially in the case of textiles. The skilfully-woven designs on the tapestries and pillows shown Plate XVI are an illustration of such effort.

POPULATION.

ACCORDING to the 1930 census Corbu had a population of 1,563, distributed among 358 households. The majority of the inhabitants are, of course, Roumanians, for the commune lies right on the fringe of the Szekler country. In spite of having lived in close association with the Roumanians for many generations, however, the Szeklers are easily distinguished by their dress, their physical type (though this is by no means an infallible guide), their adherence to Roman Catholicism, and, of course, their language. Although culturally there is an appreciable difference between the Roumanian and Szekler peasantry, there is to-day an even wider gap between these folk and the Tsiganes or Gipsies who form a much smaller, though very interesting, minority. Generally speaking, the Roumanians contribute a dark, and the Szeklers a fair, element to the broad-headed population, whereas the Gipsies are for the most part distinctly long-headed and very dark. There is an equally well-marked difference on economic grounds, for both Roumanians and Szeklers are essentially peasants, whereas the Gipsy, being landless, is compelled to seek a livelihood by trading, unless he be either smith or musician, following the traditional pursuits of his forbears (see Plate VI).

THE HOUSES occupied by Gipsies, while resembling in style those of the peasants, can usually be recognised by the

the price of the quantity of maize grown on it would fetch only 40 lei; nevertheless the peasant owner persisted in cultivating his patch of land because he felt ashamed to allow it to lie fallow, having always been accustomed to cultivate it, and buy the maize he needed instead, for which, however, he would probably have to pay a somewhat higher price than the 40 lei at which he could have sold his own (p. 111). So that, far from exerting an adverse influence on production, the breaking up of the large estates has, on the contrary, proved to be the salvation of the industry, for were it not for the abnegation and attachment of the individual smallholder to his farm, agriculture would have been completely ruined by the policy imposed by the Bratianus. Indeed, one cannot but admire this profound devotion of the peasant to the land and his dogged persistence in carrying on, despite the odds which confronted him and the utter lack of encouragement he met with from the State. We may take it for granted that the small farm of five hectares was more productive than the large estates, even from official statistics. This peculiarity was commented on in the *Cuvantul* of July 23rd, 1927, which at the same time decried the maladministration of the then Finance Minister, M. Vintila Bratianu, and his threat to increase the land tax. That paper contested the official statement that the land tax in Rumania amounted to one gold franc per hectare, as this affirmation would cast a slur on the country. In fact it was estimated that in 1924 the export taxes on cereals had yielded the equivalent of a tax of 8 gold francs per hectare.

The determined perseverance of the peasantry could not undo the harm caused by the erroneous agrarian policy pursued, and the situation could not but grow worse with time.

So that when finally the National Peasant Party assumed power at the end of 1928, the situation had become so hopeless that the Rumanian Government even contemplated organizing a mass emigration to France and her colonies in order to relieve the strain. Early in 1929 the Press, commenting on this unexpected decision of the Government to encourage emigration, admitted that the cause of the disastrous condition agriculture had reached in Rumania could

241 423 [511] 167 be clearly traced to the carelessness with which the law of land distribution had been drafted, and to the utter neglect to provide financial means for its rational application, as well as to the export taxes on agricultural produce. The outcome was appalling, as may be judged from an article in the *Cuvantul* in which, after dilating on the causes that had brought about this disaster, it was asserted: "We are obliged to admit that the entire rural population had reached a state of pauperism at a time when we should reasonably have expected it to be thriving, since it had been endowed with lands. It seems a paradox, yet we have only wrecked the old system of production, founded on the unjust system of latifundia, in order to replace serfdom by pauperism. At the time of the large estates the rural worker had no need to emigrate; on the contrary, there was a shortage of labour, and foreign labourers had to be admitted from neighbouring countries. To-day, however, we are forced to direct the rural population abroad so as to save it from starvation; that is the situation we have reached ten years after the enactment of the expropriation laws. . . ." According to the *Adeverul* of March 29th, 1929, the Minister for Agriculture, speaking about the state of that industry, drew a very dark picture and lamented the wretched condition to which agricultural production had fallen. Rumanian agriculture, once the source of wealth and the economic basis of the State, was, he said, on the verge of ruin. The Minister not only condemned the culpable manner in which the land distribution law had been carried out, but also denounced the laxity and incapacity of the functionaries who had been appointed to show the peasants new methods of cultivation. According to him, the so-called model school farms were a positive disgrace. . . . Apparently matters have not improved since, for as late as March, 1932, one could read in the *Ellenzek*, a paper published in Hungarian at Cluj, that the Hungarian Cultural Association of Transylvania had decided to present a petition to the League of Nations to demand the creation of an agricultural school destined exclusively for sons of Rumanian citizens of Hungarian nationality. One ought not to feel surprise that the Hungarian minority, convinced of the glaring ineptitude of the Rumanian administration, had

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[Oltenia]

the Olt, copper near Baia de Arama and salt near Ocnele Mari, north of Govora. The peasant population, in spite of the great agricultural wealth of the province, is extremely poor. The people live in small villages near the rivers. The houses are more often than not almost subterranean mud-huts. Agricultural implements are very primitive. The wooden plough is still widely used.

Oltenia was the first district of Rumania which was colonized by the Romans. It formed the spearhead, and later the base, for the Roman penetration of Dacia. Among the most interesting relics of Roman times found in Oltenia are the ruins of a bridge built by Trajan and the fort just outside Turnu-Severin. After the Roman withdrawal Oltenia shared the fortunes of Muntenia,[1] and in 1859 joined the Principality of Rumania.

The capital and chief industrial and commercial town of Oltenia is Craiova with a population of about 60,000. It is also the road and rail junction linking Bucarest with Oltenia and the western provinces. Turnu-Severin on the Danube is the important port guarding the famous 'Iron Gates'. Here the current of the Danube, passing through a narrow gorge is too strong and the water too shallow for shipping to make headway upstream. A deep channel has therefore been blasted in the rock of the river bed and vessels are towed up it by locomotives on the railway alongside. Before the Great War Turnu-Severin was the frontier town between Rumania and Austria-Hungary. It has still preserved the character of a picturesque oriental marketing centre.

[1] Except that in 1718, after the Austrian occupation of Belgrade, Oltenia was temporarily under Austrian rule.

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CHAPTER IV

ECONOMIC WEALTH OF THE COUNTRY

Greater Rumania was primarily an agricultural country, but its industry held an important place in the economy of South-Eastern Europe. With its fertile soil, great reserves of mineral resources and considerable water-power Rumania could have been one of the richest countries in Europe. But while the land was full of natural wealth the standard of living of the people remained a low one. Only a small part of Rumania's resources was exploited, and an even smaller part for the benefit of her inhabitants.

About three-fifths of the area of the Kingdom were arable land and pastures, and over four-fifths of her population were employed in agriculture, forestry and in the fishing industry. The unbalanced state of Rumania's economy in the period between the two wars is shown by the fact that in spite of the predominantly agricultural character of the country, Rumanian industry, employing only one-twentieth of the population, was responsible for half of the total production as expressed in value. Approximately two-thirds of all income from exports were also derived from industrial products, chiefly oil, of which Rumania is the foremost European exporter.

One million workers and employees, or one-twentieth of the population, contributing one-half of the total yearly value of production: this is one very significant aspect of the economic struc-

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433 Resita works and in the Copsa-Mica concern. The
471 most important Rumanian group, representing both German and British interests, was that of Malaxa-Auschnitt. The centre of Rumania's heavy industry is the region around Brasov.

The chemical industry, drawing to some extent on the unexported surplus of agricultural produce, developed substantially, thanks especially to attempts to make Rumania independent of imports. This industry, too, was controlled to a great extent by foreign, chiefly German, interests.

433 The textile industry, although handicapped by old-fashioned machinery imported from Germany, was the most prosperous. Production and value of output increased, as did the number of employees, but wages decreased.

433 Rumania's total industrial production was
511 doubled in the years 1924–36, but this was not reflected by a corresponding improvement in trade or
435 in the standard of living. The general index of wholesale prices fell by almost a third and that of agricultural produce by nearly half; the prices of manufactured goods decreased by only a little over one-sixth. By 1933 the value of exports and imports had fallen to about 25,600 million lei and was only one-third of that of all foreign trade in 1926. Real wages in the period from 1929 to 1939 fell by over one-fifth, while the cost of living in 1939 was indexed at 138 points in relation to 100 points in 1933.

652 By 1937 Rumania's national debt had reached 257 million pounds sterling of which only one-fifth was represented by internal loans. Interest on foreign loans in 1932 amounted to about one-quarter of the country's budget and in 1937 to about 16%.

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government had the majority of the people behind it, Maniu was handicapped by sabotage on the part of the bureaucracy, the banks and the great industrialists. Moreover he found it very difficult to work with the Regency Council, especially in such a critical time, as very frequently it could not reach a unanimous decision.

All these circumstances seemed to make the restoration of Carol inevitable. Maniu therefore arranged for the return of Carol to Rumania, but made his accession to the throne conditional upon several undertakings, amongst which was a royal promise to respect the Constitution. Carol returned by plane on 8 June 1930 and was proclaimed King, his son Michael being unceremoniously relegated to the position of Crown Prince. Many high hopes were pinned on Carol whose youth and intelligence were held to be qualities which should make him a good ruler. But the head-strong young monarch, with his ideas of personal rule, soon disillusioned those who had enabled him to return. Before long Maniu resigned and the first period of Carol's personal regime began.

THE PEOPLE. During all these years the people of Rumania had hoped for an improvement of their position. After the first few years of adjustment to the changes consequent upon the World War, it had become apparent that all misfortunes could not be blamed upon the war. The Agrarian Reform which was to have cured all ills had turned out to be a very questionable blessing. The recovery of industry which had a promising start in the middle twenties, when considerable amounts of foreign

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511 capital had been imported, had come to an abrupt end only a few years later. The prices of agricultural produce continued to fall and manufactured goods became comparatively more expensive. While the value of money decreased[1] and the general level of the standard of living deteriorated up to about 1930, there was a slight improvement in the period following the recovery from the general crisis.

661 **CORRUPTION OF THE ADMINISTRATION.** The lot of the people, however, did not improve. The Rumanians, to whom their government had promised an era of prosperity and national splendour, soon found that the promise held good only for some privileged classes who had not been badly off before. The whole country was ruled by a small clique which had secured the allegiance of a host of civil servants. These officials were badly paid and relied on bribes to swell their income. Before elections the voters were promised reductions of taxation and official positions. But taxes became heavier each year and the new officials' greed had to be satisfied whenever one came in touch with the State apparatus. Identification papers of every description had to be secured before a citizen could go about his business. And in order to obtain these documents one had to visit innumerable offices, fill up innumerable forms and bribe a dozen officials. Arrests were made by the underpaid police for the sole purpose of obtaining money. Officials in all positions looked upon bribes as a legitimate source of income.

The poor peasantry and the minorities were

465 [1] Level wages in 1930 were: in Rumania 39; in Britain 100.

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and smaller profits were the reward of Rumanian officials and business men.[1]

How far the natural resources of Rumania have suffered under this intensive exploitation will probably become apparent only after the war. Its effects on the people of Rumania, however, can be gauged already. The cost of living in 1941 was three times as high as in 1934, and in January 1943 it was reported to be 50% higher than one year before. These are official Rumanian figures, based on maximum prices and maximum wages which are only fictitious. In fact many goods, although rationed, could be obtained only on the black market and at phenomenal prices. The general inflation led to a levelling-up of wages; but wages remained far behind prices. The workers, therefore, were worse off than before, although, theoretically, they obtained improved wages. A Swiss report in August 1943 showed that the monthly earnings of

[1] In January 1944 the Rumanian Government, according to a German paper published in Rumania, 'decided to put at the disposal of the Ministry of Finance a credit of three milliard lei for a new campaign for the modernisation of petroleum installations in Rumania. The Rumanian National Bank has granted a loan of one hundred million Reichsmarks to a number of oil companies for the same purpose. This sum will be used for the import of machinery from Germany... these companies have also been put in charge of the supply of the capital with natural gas'. At about the same time one of the mouthpieces of the Nazi war economy declared quite frankly: 'The practical purpose of the Rumanian export trade policy is to ensure an adequate supply of raw materials for the home industry. In order to stimulate import the concerns in question were permitted... to open up new industries in foreign countries for the purpose of supplying raw materials and half finished goods to the vitally necessary war industries in Rumania.

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a worker, working sixty hours a week, would just be sufficient to buy a pair of shoes or four pounds of coffee, while he would have to spend about three months' wages to buy a suit. The workers do not possess any effective trade unions or other organizations which could better their lot, and peasants' co-operatives are few and weak, except those controlled by the State and those of the German Minority. Antonescu, however, recognized the danger threatening him from this quarter and tried to pacify the workers by creating special services which would supply them with their rations. Other sections of the population had to rely on luck. By creating a class of workers which at last had an assured supply of food he hoped to neutralize the most potent elements of Rumanian discontent.

Another indication of the standard of living is supplied by the official price index. From June to December 1940 prices rose by over 137% and, according to the official Rumanian economic gazette, by 372% between August 1939 and October 1943. This fantastic increase of prices brought no corresponding gains to the farmers or agricultural workers, as can be seen from the Rumanian press.[1] While some industrial workers at least got their rations, and in some instances even increased rations,

[1] In December 1943, one of the German papers in Rumania reported that 'the Union of Farmers' Co-operative Societies states that although there was a record harvest last year, the difficult position of the farmers has not improved. A great part of the harvest is still unsold and...the shortage of capital is very much felt...the Union demands that one-third of the difference between the low inland- and the high export-prices be paid to the farmers instead of giving the whole of the overprice to the State and the exporters....Owing to the lack of

511 435 the economic position of the rural population appears to be lamentable.

648 722 **THE POLITICAL SCENE.** Both the internal and external policies of Rumania have been shaped by events on the battle fronts, and more particularly by the war on the Eastern front. The fact that Rumania is fighting side by side with Nazi Germany against the Soviet Union has had effects upon the national life of which the consequences are inescapable. The artificial stimulation of public opinion against the U.S.S.R., intended to galvanize the people into a fervent nationalism and unreserved support for Antonescu, proved no small embarrassment to him when the tide of battle turned so catastrophically against his Allies. Further, Rumania's position is also anomalous in the extreme. The severest blow which the country suffered during the past decades was the loss of two-fifths of Transylvania to Hungary.[1] Yet Rumania has been fighting in alliance with Hungary against the Soviet Union. At the same time friction between Hungary and Rumania has been one of the gravest problems in the

511 435 credits the farmers are unable to meet their most urgent obligations and, if no solution is found, an agrarian crisis is imminent which must influence the whole national economy.' A Bucarest paper stated in January 1944: '. . . there are two million farms without milk cows, 160,000 without hogs and 200,000 without even a single chicken. Unfortunately the Ministry of Agriculture with only two and a half per cent of the budget can do little to alleviate the peasants' lot.'

[1] The Czechoslovak President, Dr Benes, stated in London in March 1944 that the Soviet Union would insist on the return of the territories which Hungary stole from her neighbours, including Transylvania.

241 very largely on the acquisition of tractors and other equipment. Only Germany can provide these requisites and it is of interest that, despite the poor contribution Rumania has hitherto made to Germany's food supplies, the latter has gone some way to assist the attempted reform. Over 4,000 [439] tractors with their ploughs and a variety of other implements have been imported from Germany during the war years. Tractor numbers in Rumania have probably been more than doubled by these imports, but they still represent only the beginnings of mechanisation. They have doubtless been supplied, despite insistent demands for tractors in Germany and elsewhere, in the belief that, if properly applied, they may make some slight increase in available surpluses. Some of these may have been destined for Transnistria to make good the Russian scorching.

6. Food Conditions

511 Food conditions have varied according to local resources, and in the months following the poor crops of 1942, according to the success of local prefects and officials in securing supplementary quantities from the more favoured areas. The [162] greater part of the population is rural, and most families feed themselves with their own home-grown produce. In the earlier years of the war these were able to maintain their consumption standards, but in 1942-43 there must have been a more serious degree of shortage and privation than is usual even after short crops. In the towns there has been a severe curtailment of food supplies, mitigated in individual cases by access to the Black Market.

262 Urban shortages developed early in 1941 and 434 official rationing cards were introduced in May of 511 that year in Bucarest and brought into use soon after. Sugar and meat were the first commodities to be rationed. The original sugar ration was 375 grammes (13 oz.) per week, but since May 1943 it has been only 125 grammes (4½ oz.). Meat, originally 250 grammes (9 oz.), is still (July 1943) at this level, though for a short time at the end of 1942 it was higher owing probably to the abnormal slaughterings caused by fodder shortages in 1942. Bread was first officially rationed in January 1942, but was preceded by baking regulations requiring maize admixtures in the loaf. The ration of 300

[11a]

262 grammes (10½ oz.) daily was available on five days
434 of the week only; on the other two days maize
511 meal only (for *mămăligă*) could be bought. The bread ration was reduced to 250 grammes in June 1942 and maize meal itself was rationed in August. The number of breadless days has varied, while barley, flour or potatoes have at times been offered in place of maizemeal. The bread mixture has also included varying proportions of maize, barley, potato and other flours. The allowance in June 1943 was 250 grammes of bread on five days and 1 000 grammes (35 oz.) of maize flour or potato flour on each of the remaining two days. All these quantities apply to Bucarest only. Other towns show variants of these regulations, depending on local supplies.

234 The most serious shortage in Bucarest and
435 possibly in other towns, appears to be milk.
511 Owing to the depletion of surrounding herds following the high cost and scarcity of fodder, only a small part of the former supply now arrives. Some milk, as with all products, is diverted to the Black Market, and official mistakes in price policy at various times have caused temporary shifts or stoppages in food supplies. Other livestock products and edible oil are also chronically short in the towns.

7. Food Prices

435 In spite of official attempts to protect con-
565 sumers from increases, retail prices and the cost of
511 living have risen almost to the same extent as producers' and wholesale prices. Taking autumn 1939 as 100, the cost of living was 330 and the cost of food 350 in the spring of 1943. These increases have been severely felt by the working and lower-middle classes. Official measures were taken to alleviate the situation of civil servants by the setting up of stores and canteens with reduced prices, some of the goods being supplied from Transnistria. Likewise firms with over 50 employees were ordered to supply them with essential foodstuffs at low prices. Persons with more ample resources make use of the Black Market on which all the ordinary foodstuffs are obtainable, usually at only two to three times the official prices, the moderate character of these illegal prices being itself another illustration of the large quantities available through illegal channels (due to the laxity of control).